

TEACHERS' RETIREMENT BOARD
BENEFITS AND SERVICES COMMITTEE

SUBJECT: Level of Service Standards

ITEM NUMBER: 4

ATTACHMENT: 1

ACTION:

DATE OF MEETING: March 5, 2003

INFORMATION: X

PRESENTERS(S): Peggy Plett

EXECUTIVE SUMMARY

The Level of Service report provides the Benefits and Services Committee with the necessary information to fulfill its oversight responsibility regarding the delivery of benefits and services to CalSTRS members. The following reports for the month of January 2003.

I. Overview

CalSTRS paid a total of 180,123 benefit recipients \$385,047,505 in January, 2003. The average monthly allowance roll for FY 2002/03 is \$381,716,290. Total disbursements for FY 2002/03 are \$2,672,014,028.

A. Service Levels:

1. Service Retirements – Ninety-nine percent of initial payments were processed within 30 days, resulting in no disruption of cash flow for newly retired members. We attained a finalization percentage of 73% for members who retired in the month of September 2002. Of the 68 cases which were not finalized in the four-month timeframe, 27 were awaiting sick leave information from the employer and 33 needed correction of employer reported data. The remaining 8 allowances involved payroll data not received from the member's other retirement system for processing of concurrent retirements.
2. Disability – Disability Services was successful in processing 100% of its caseload within Board established standards. They achieved the 100% target of Goal One and exceeded Goal Two's established objective by 5% for the month of January. A total of 463 cases have been processed for the current fiscal year with 88% approved for benefits while 6% were rejected for statutory reasons, 6% were cancelled by member request and less than 1% were medically disapproved.

3. Survivor Benefits – This program continues to make significant improvement in reducing the backlog of cases created by conversion to the START system. However, during the January Roll month we experienced both a 10 day period in which we were unable to enter notifications of death and create payments due to year-end activities in our Accounting Division, as well as increased staff time off due to the holiday season. The current working inventory of new pre-retirement and post-retirement died cases is 1132. In the last month the percentage of cases completed within 90 days of notification has increased 2%.

The number of cases pending in the over six month category for the month of January was 75. That is down 10 cases from last month. This number will continue to fluctuate based on the volume of new notifications coming in and the amount of production hours worked. Cases in this category have been worked, but the caseworker is unable to get all the necessary documents as they are waiting on the beneficiaries to provide the needed documents.

4. Call Center

Service levels remained steady at 81% of calls answered in three minutes and 61% answered in one minute. Four new customer service representatives completed training and began regular phone schedules in late January. Interviews for the remaining five non-Customer Service Initiative positions will be conducted in late February.

Service Credit Support

Staff is now current on the service credit purchase workload. As of February 11, 2003, the remaining count was 784, 82% of which were received in the last 60 days. A pizza party is scheduled for late February to recognize staffs' hard work over the past 15 months.

Customer Service Initiative

Interviews continued for the various Customer Service Initiative positions with the majority of the 30 staff arriving in February and March. Training for the ten Correspondence Center staff will begin in early March with the transition of their correspondence and front desk duties scheduled for May. At that time the Call Center will move to a daily 6-hour phone schedule, thus allowing for a further increase in member service levels. Staff for the Regional Counseling phone interview pilot will complete their training in April.

5. Regional Counseling Services

Staff is working on the contract process for 2002/03. Staff received 95% of county contracts signed by County administrators.

Staff is working with Bill Hobbs and his staff on the counselor estimate calculator project.

Staff has been working on the hiring process for the Customer Service Initiative positions.

Staff observed interviews conducted by counselors in San Juan, Sonoma, Kern, Tulare, Santa Barbara and Ventura. Staff assisted with a special education workshop in Monterey.

RCS Counselors served 6,497 CalSTRS members with the combination of retirement interviews and workshops.

RCS Counselors received 118 telephone calls from CalSTRS members due to incorrect award letters and 12 complaints during an individual interview.

Individual interviews are being scheduled for March with the exception of San Bernardino and Ventura who are booking appointments into April.

6. Interest Payments – None were made for Disability benefits. Service Retirements paid \$10 for 4 applications. Survivor Benefits paid \$996 for 44 reported deaths, which is a decrease from the previous months in this fiscal year.

II. Individual Program Reports: Pages 1-8

III. Miscellaneous Items: Pages 9 - 10

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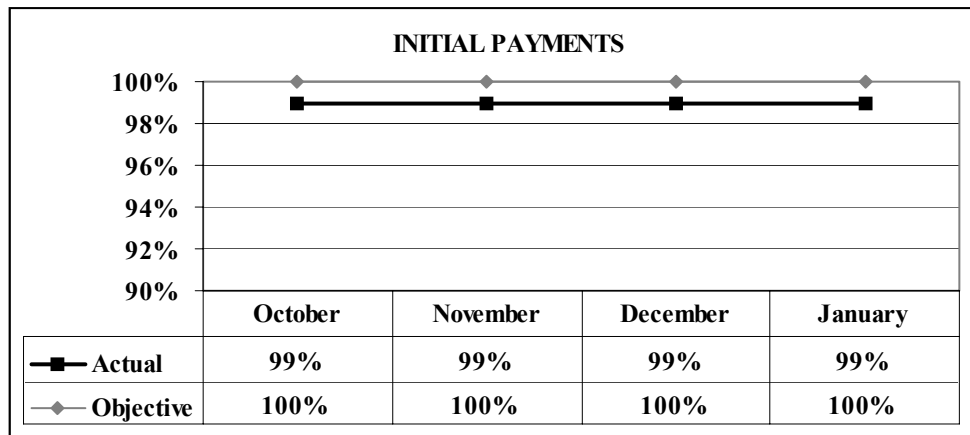
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Service Retirements

Objective Process 100 percent of all service retirement application payments within 30 days of the retirement effective date or receipt of completed application, whichever is later.

Application Volume Change Increased 25 percent in comparison to same period last fiscal year.

Baseline FY 2001/02 actual: 99 percent



Year to Date Average: 99%

Objective Process 100 percent of all final service retirement payments within 45 days of receipt of all necessary information.

Interest Payments January 2003: 4 payments/\$10

Current Year Cumulative:

48 payments/\$660

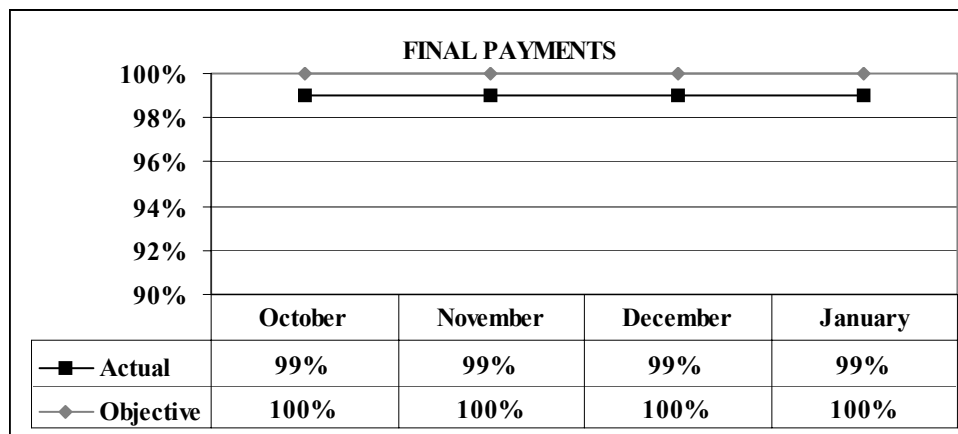
Current Year Monthly Average:

7 payments/\$94

Prior Year Monthly Average:

15 payments/\$401

Baseline FY 2001/02 actual: 99 percent



Year to Date Average 99%

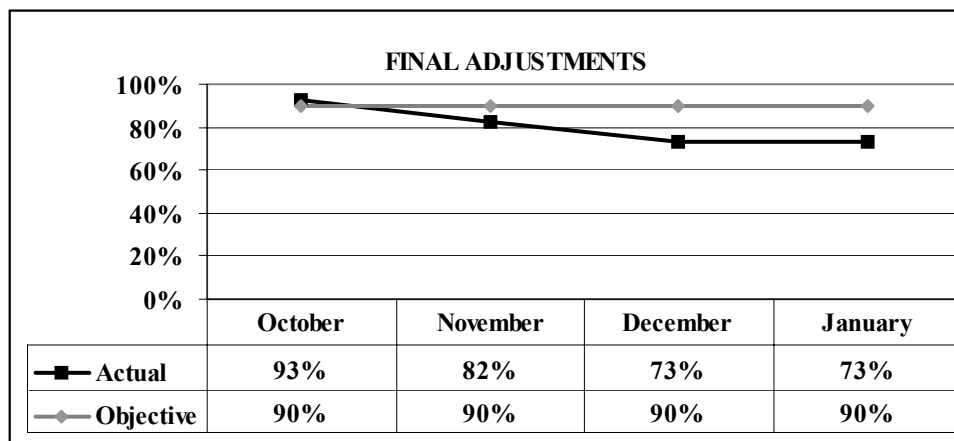
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Service Retirements

Objective Finalize at minimum 90 percent of service retirement payments within four months of retirement effective date.



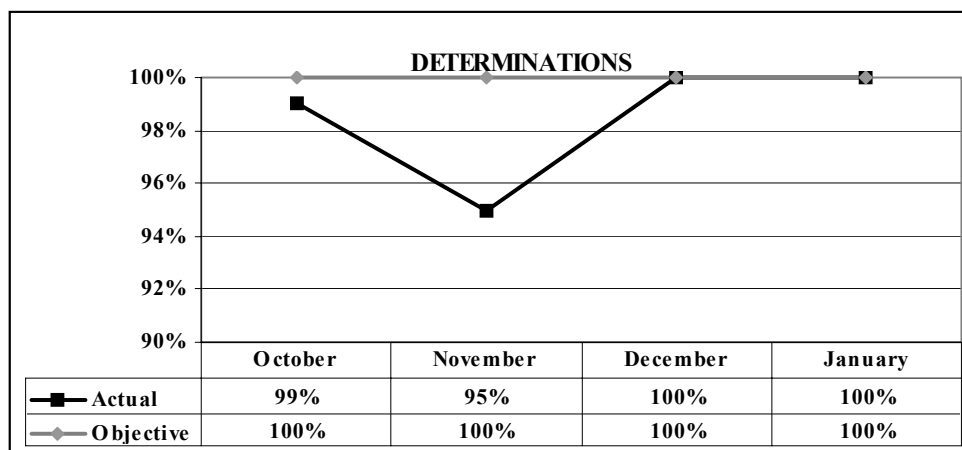
Baseline FY 2001/02 actual: 90 percent

Year to Date Average: 90%

Disability

Objective Process 100 percent of eligible applications within 180 days of receipt.

Application Volume Change Up eleven percent in comparison to same period last fiscal year.



Baseline FY 2001/02 actual: 99 percent

Year to Date Average: 99%

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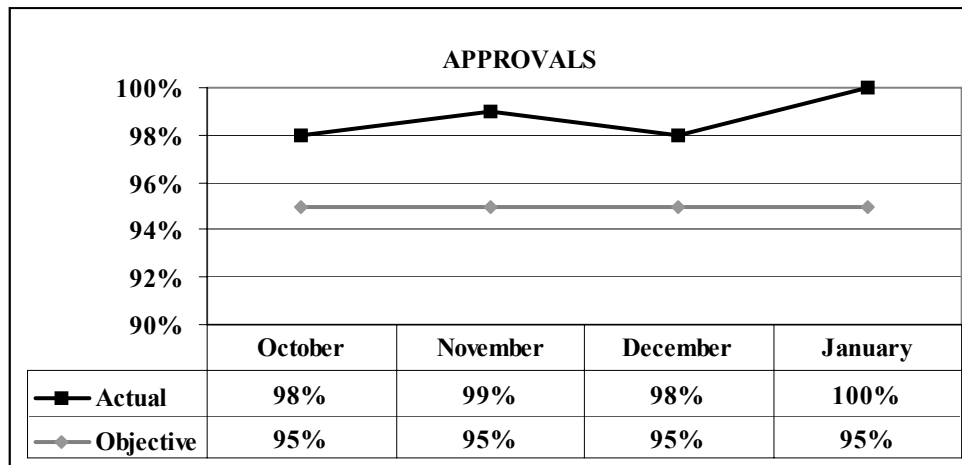
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Disability

Objective Process at minimum 95 percent of approvals within 30 days of last required document.

Interest Payments January 2003: 0 payments/\$0
Current Year Cumulative:
3 payments/\$1018
Current Year Monthly Average:
1 payment/\$509
Prior Year Monthly Average:
None



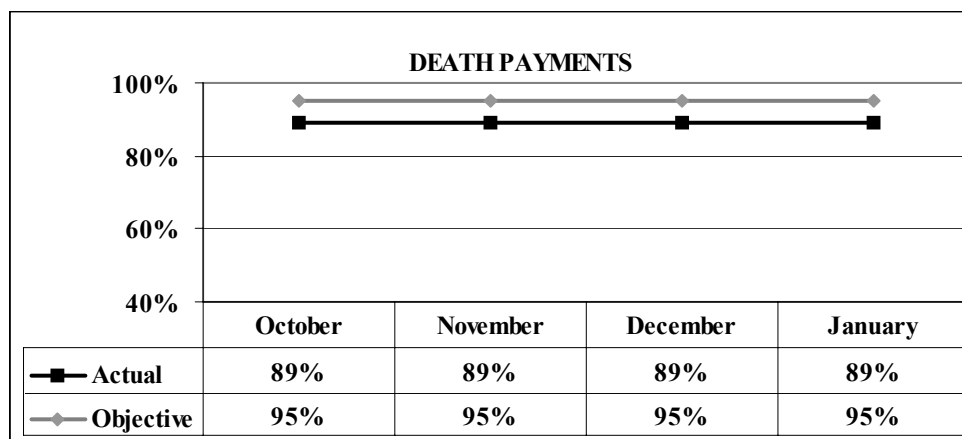
Baseline FY 2001/02 actual: 99 percent

Year to Date Average: 99%

Survivor Benefits

Objective Process at minimum 95 percent of applications within 30 days of receipt of all necessary information.

Interest Payments January 2003: 44 Payments/\$996
Current Year Cumulative:
621 payments/\$41,256
Current Year Monthly Average:
89 payments/\$5894
Prior Year Monthly Average:
207 payments/\$14,069



Baseline FY 2001/02 actual: 71 percent

Year to Date Average: 89%

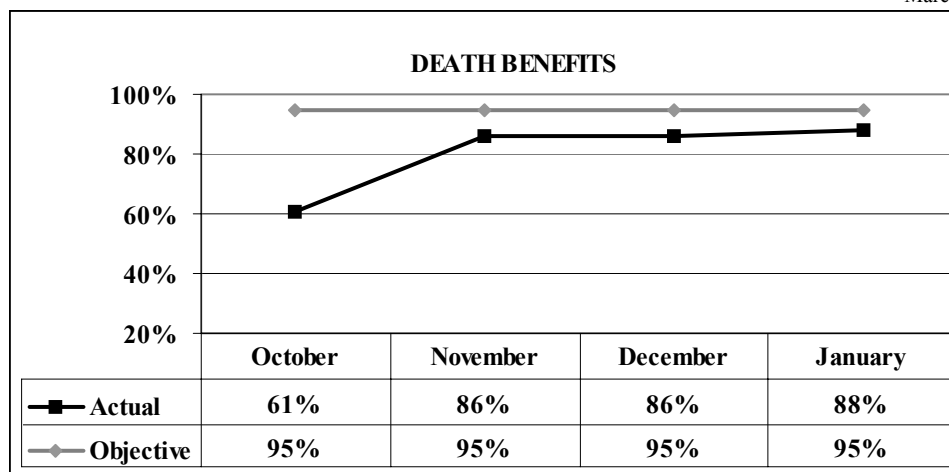
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Survivor Benefits

Objective Complete at minimum 95 percent of death benefit payments for retired members within 90 days of receipt of notification of death.



Baseline FY 2001/02 actual: 44 percent

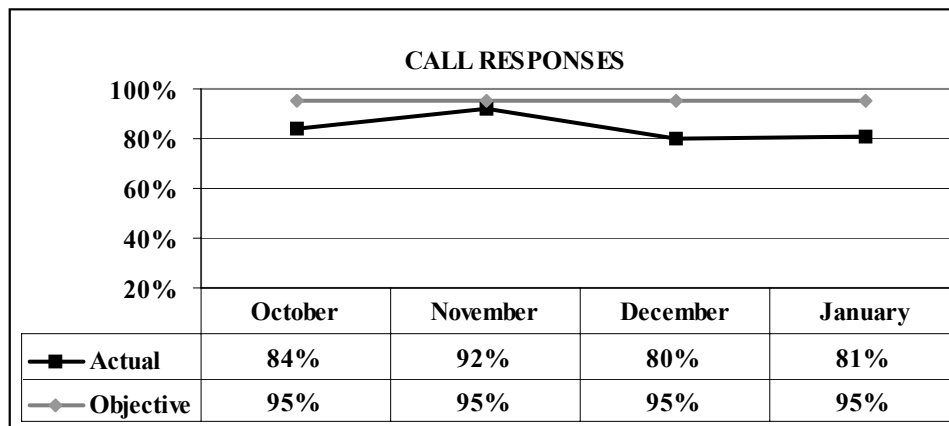
Year to Date Average: 77%

Public Service

Objective Answer 95 percent of calls in less than three minutes.

Volume Change 22.68 percent increase

Notes Average queue time: 33 seconds
Longest queue wait: 13 minutes



Baseline FY 2001/02 actual: 62 percent
FY 1996/97 Objective:
80 percent in less than three minutes.

Year to Date Average: 81%

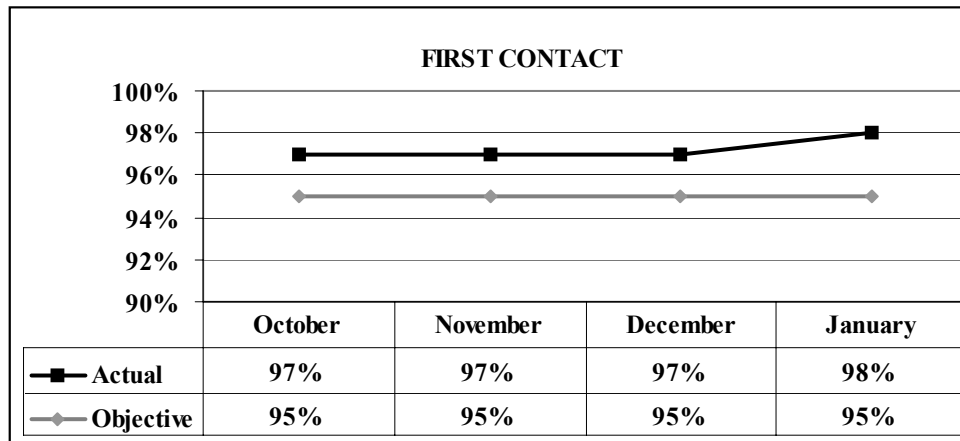
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Public Service

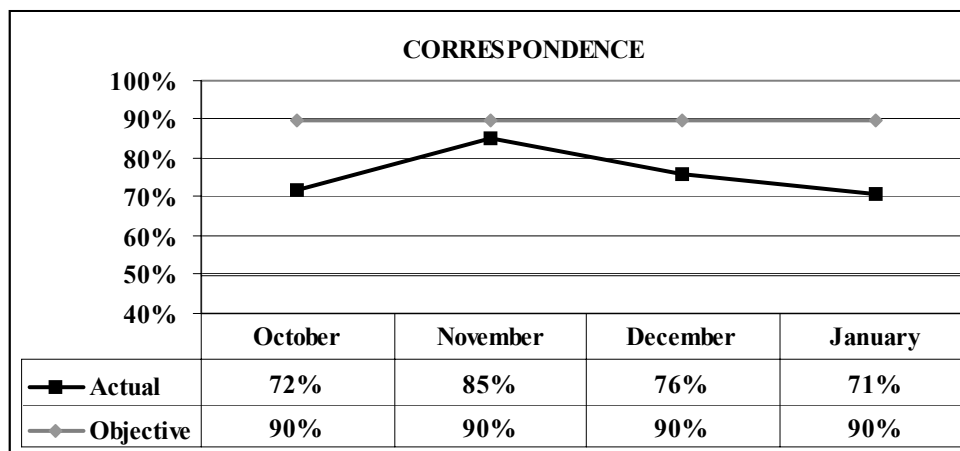
Objective Answer at minimum 95 percent of calls on the first contact.



Baseline FY 2001/02 actual: 98 percent

Year to Date Average: 98%

Objective Respond to at minimum 90 percent of correspondence in ten working days.



Baseline FY 2001/02 actual: 61 percent

Year to Date Average: 77%

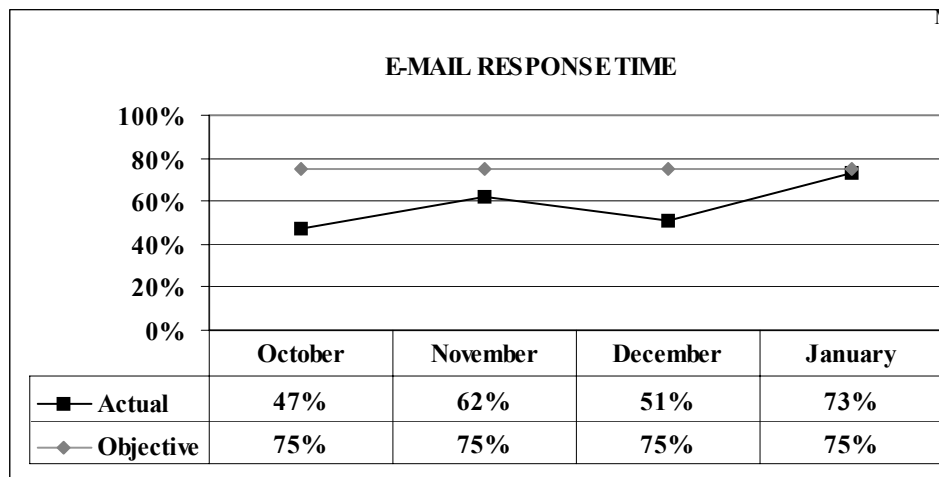
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Objective Respond to at minimum 75% of e-mails in three working days

Baseline FY 2001/2002 actual: 41%

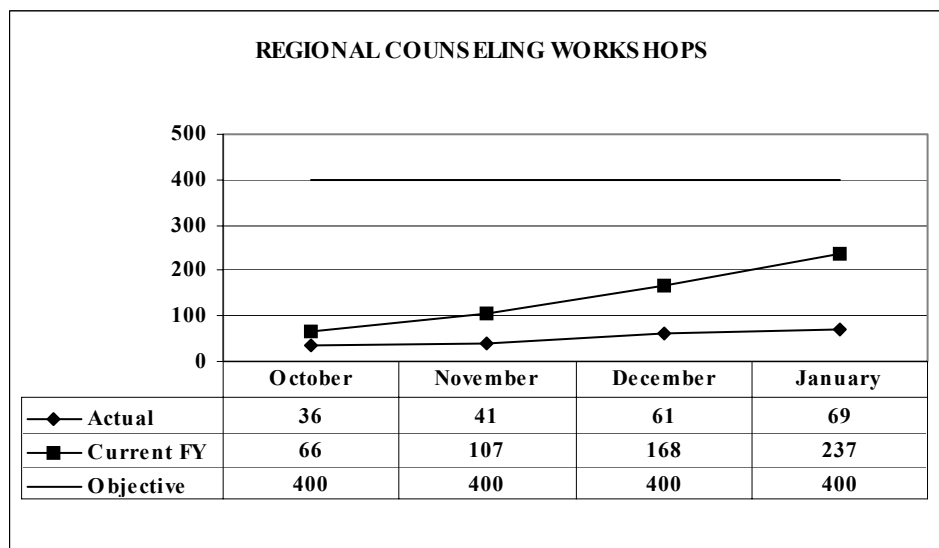


Year to Date Average: 59%

Regional Counseling Services

Objective Conduct at minimum 400 workshops

Baseline FY 2001/02 actual: 497

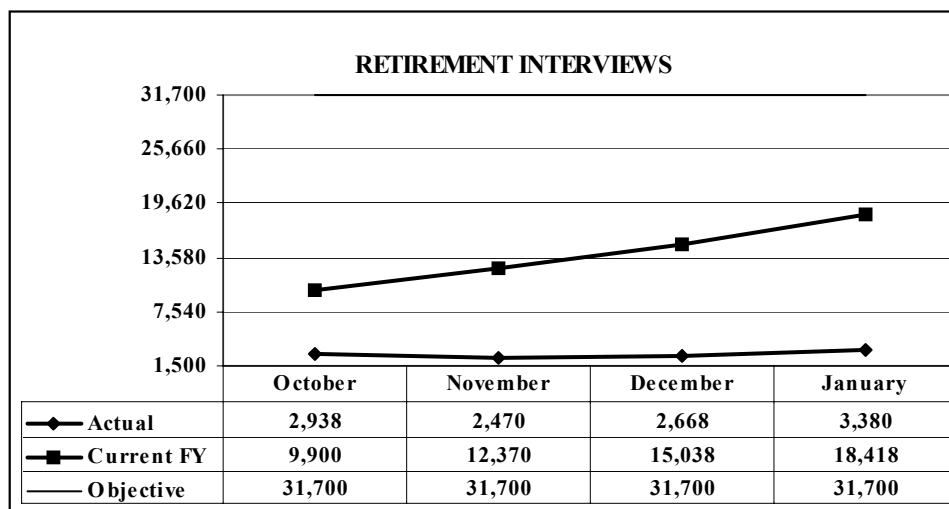


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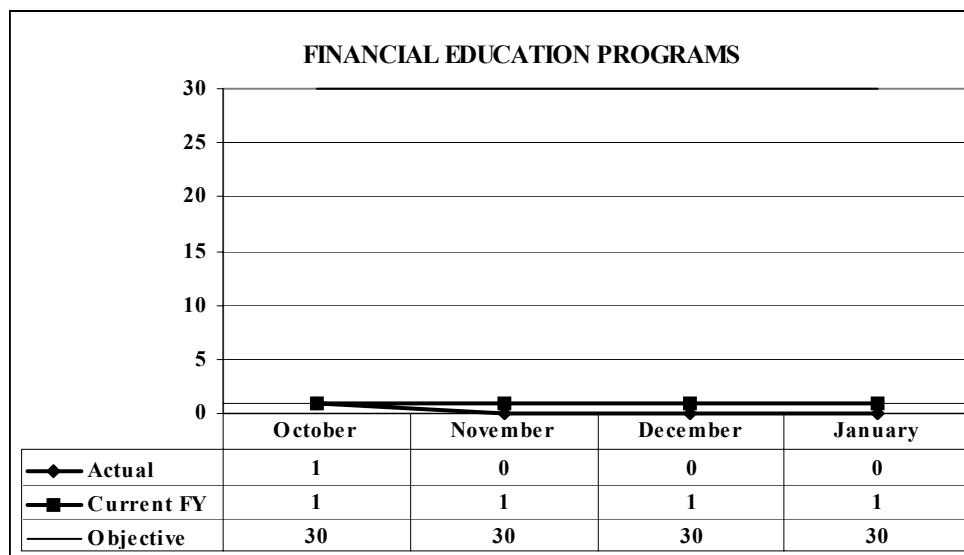
Regional Counseling Services

Objective Provide at minimum 31,700 retirement interviews.



Baseline FY 2001/02 actual: 31,477

Objective Deliver at minimum 30 Financial Education Program workshops to CalSTRS members.

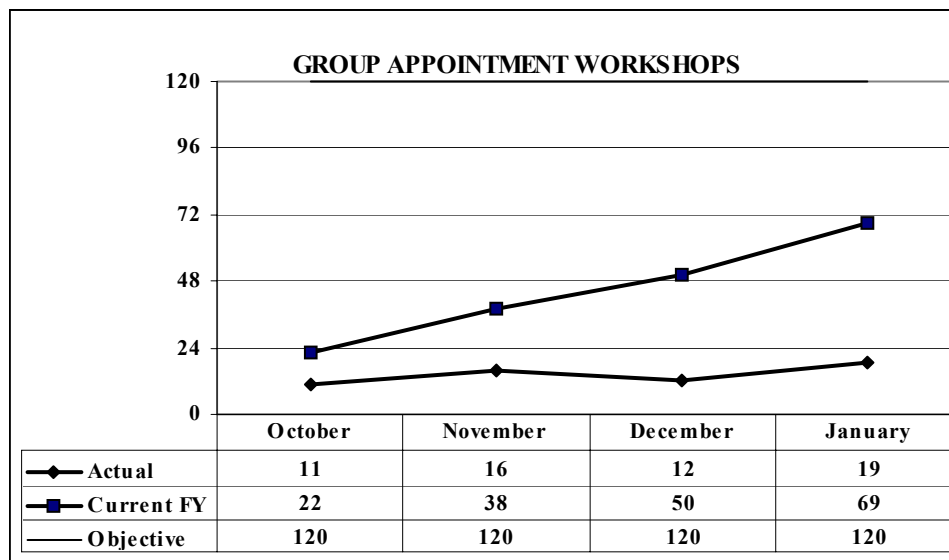


Baseline FY 2001/02 actual: 29

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Objective Deliver at minimum 120 Group Appointment Workshops.



Baseline FY 2002/02 Actual: 29

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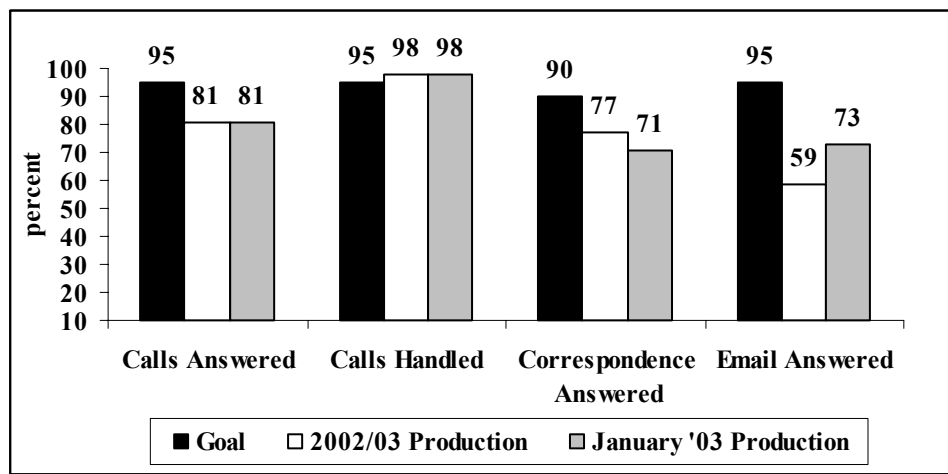
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III. Miscellaneous

A. Outstanding Survivor Benefit Cases:

The Education Code requires a report to the Board on outstanding Survivor Benefit cases not paid within six months of the notification of death. As of January there were 75 exceeding this threshold. In December, there were 85 cases beyond the six-month processing period, while in November there were 55 cases exceeding the six-month threshold.

B. Telephone Center:



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C. Telephone Center: (continued)

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